

House Republican Press Release

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Rep. Cafero Calls For Minimum Business Tax Repeal



ALL ‘BETS’ ARE OFF

HARTFORD – State Rep. Lawrence F. Cafero Jr. of Norwalk today called for a repeal of the \$250 minimum business tax that businesses must pay to the state every April 15 saying it stunts economic growth and punishes entrepreneurs who want to create jobs.

Known as the Business Entity tax, or BET, Connecticut collects the \$250 annual payment from more than 144,000 individuals and companies doing business in the state. Cafero said it hurts job growth and must go.

“I’m saying all ‘BETs’ are off. If we are serious about helping businesses create jobs and grow in Connecticut we must reduce the costs of doing business. This \$250 minimum tax is simply a penalty for small business owners trying to make a living,” said Cafero, the Deputy House Republican Leader.

Eliminating the tax would save businesses \$28 million a year. Cafero said the state can afford to eliminate the tax this year and pay for it by using a small portion of the estimated \$600 million budget surplus that continues to grow. He said eliminating the tax will stimulate job growth over time and will increase income and property tax revenues.

The Department of Revenue Services has begun mailing out notifications for payments due to the thousands of business entities now operating in Connecticut.

“By getting rid of this penalty tax the message to the private sector small business person will be clear and unmistakable. The state of Connecticut wants small businesses, which are the backbone of any economy, to come here and grow,” Cafero said. “Whether you are in a trade, are a professional or run a retail venture, these are jobs and services that we value.”

He noted that the House Republican caucus endorsed elimination of the tax at the outset of the legislative session and predicted this issue will spark a loud debate this spring.